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TO RUEHC/SECSTATE WASHDC IMMEDIATE 2440
INFO RUEHZS/ASSOCIATION OF SOUTHEAST ASIAN NATIONS IMMEDIATE
RUEHBY/AMEMBASSY CANBERRA IMMEDIATE 9308
RUEHPB/AMEMBASSY PORT MORESBY IMMEDIATE 3044
RUEHKO/AMEMBASSY TOKYO IMMEDIATE 9726
RUEHWL/AMEMBASSY WELLINGTON IMMEDIATE 0746
RHHMUNA/USCINCPAC HONOLULU HI IMMEDIATE
RHMFISS/DEPT OF ENERGY WASHINGTON DC IMMEDIATE
RUCPDOG/DEPT OF COMMERCE WASHDC IMMEDIATE

C O N F I D E N T I A L SECTION 01 OF 03 JAKARTA 004515

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TAGS: [PGOV](#) [EINV](#) [EMIN](#) [ID](#)

SUBJECT: AFTER ELECTIONS, PAPUAN LEADERS FOCUS ON FREEPORT

REF: A. JAKARTA 3160 (PROVINCIAL ELECTIONS LIKELY TO
SEAL PARTITION OF PAPUA
[1](#)B. JAKARTA 4407 (VOTE COUNTS FINAL IN PAPUAN
GUBERNATORIAL RACES)
[1](#)C. JAKARTA 4035 (MORE ABEPURA AFTERMATH)
[1](#)D. JAKARTA 3404 (ANTI-FREEPORT DEMONSTRATIONS
ESCALATE INTO VIOLENCE)
[1](#)E. JAKARTA 3690 (FREEPORT SEES LOOSE-KNIT GROUP)
[1](#)F. JAKARTA 2492 (FREEPORT CLOSED BY ILLEGAL WORKERS)

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Classified By: B. Lynn Pascoe, Ambassador. Reason 1.4 (b, d)

[1](#)1. (C) Summary: Following the March 10 and 11 elections in Papua and West Irian Jaya provinces, Papuan leaders have opted against staging a confrontation with the Indonesian central government, at least for the time being. Instead, in the wake of anti-Freeport demonstrations in Jayapura and elsewhere, leaders of the Papuan Provincial Parliament and Papuan People's Assembly are seeking to shore up their popular credibility by focusing on the activities of the U.S. mining giant. The Papuan People's Council has gone so far as to call for the American mine's closure, but Freeport itself dismisses this as hollow posturing. End summary.

Showdown With Jakarta Deferred

[1](#)2. (SBU) Leaders of the Papuan Provincial Parliament (Dewan Perwakilan Rakyat Papua, DPRD) and Papuan People's Council (Majles Rakyat Papua, MRP) were angered by the central government's March 2 decision to proceed with direct elections in West Irian Jaya province (ref A). They correctly saw this step as consolidating the partition of the territory of Papua (the former Irian Jaya) into two provinces, contrary to the wishes of most indigenous Papuans and the terms of an accord on this long-simmering issue brokered by Vice President Kalla last November.

[1](#)3. (C) Pastor Phil Erari, who is close to the MRP, a body formed under the 2001 Special Autonomy Law to protect the interests of indigenous Papuans, had told us in mid-March that the MRP was discussing next steps with the DPRD. One option, Erari said, would be for the two bodies to escalate the dispute with the central government by formally repudiating the Special Autonomy Law and announcing some kind of a referendum on the status of Papua within Indonesia.

[1](#)4. (C) This course of action would have been enormously provocative to Jakarta, but is apparently off the table for

now. MRP and DPRP leaders have realized that repudiating -- or "returning" -- the Special Autonomy law would be a dead end, significant only in terms of political symbolism and with little practical impact. The acting Speaker of the DPRD, Komaruddin Watabun, told poloff in a March 30 meeting in Jayapura that instead of repudiating Special Autonomy outright, the DPRD and MRP would invite academic experts to hold a seminar examining the question of whether the West Irian Jaya elections were legally compatible with Special Autonomy. Legal opinions from this seminar, he said, would be forwarded to the National Parliament (DPR) with recommendations. Governor-elect Bas Suebu told poloff March 31 that "rejecting" Special Autonomy was impossible because it would imply cutting off revenues that are returned to Papua under its provisions. The heads of Papua's twenty regencies -- the primary beneficiaries of Special Autonomy funds -- would never stand for this, he pointed out. MRP Chairman Agus Alua told poloff March 31 that he supported this approach, and that a round of consultations with community leaders was necessary before deciding what should be done next. The matter should wait, he said, until the new governor of Papua was sworn in late April or early May. The MRP was also working with the legal aid foundation PBHI, Alua said, to determine whether it had standing for seeking redress through the courts.

15. (C) Nevertheless, the MRP and DPRP lost face as a result of their inability to stop the West Irian Jaya election or even to channel public opinion on the issue. The MRP's call for a boycott was largely ignored (reftel B para 4), and the MRP was snubbed by Cabinet-level delegations to Jayapura on March 17 (reftel C paras 8-9) and March 28. (During the March 28 visit, which like the first only lasted a few hours, the Cabinet members did deign to chat with Papuan religious and DPRP leaders over lunch.)

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Jumping On Anti-Freeport Bandwagon

16. (C) The MRP and, to a lesser extent, the DPRP then sought to recover credibility by bashing Freeport, the New Orleans-based company operating a vast gold and copper mine near Timika, Papua. Since February, a dispute between the mine and locals over illegal prospecting has sparked protests, some of them violent and resulting in arrests, in Papua and elsewhere in Indonesia (refs D - F). Last February, the DPRP leadership sent a letter to Freeport urging the mine to stop operations temporarily.

17. (SBU) In early March, the DPRP and MRP attempted unsuccessfully to mediate between Freeport and the illegal prospectors. While the DPRP pulled out of the effort following the attack on the Timika Sheraton Hotel on March 14, the MRP leadership was still there when, on the other side of the province, the violent anti-Freeport demonstration erupted in Abepura March 15-16, eventually claiming five lives.

18. (SBU) The MRP was not in session during the Abepura protest, and its members were scattered across the province. Despite the anti-Freeport demonstration's violent outcome, however, the MRP realized that its organizers had successfully mobilized hundreds of participants, and it belatedly sought to get some political mileage out of the issue. After deliberating on the matter during the week of March 27 - 31, the MRP made four recommendations to the DPRP, as follows:

--The GOI should negotiate with the USG and Freeport to close the mine.

--If the above objective is not possible, the GOI should press Freeport to conclude a Memorandum of Understanding with seven local tribes to protect their traditional rights.

--A third "neutral" party should mediate negotiation of the MOU to ensure good-faith protection of the Papuan tribes' rights.

--The resulting MOU should take into account recommendations of the MRP.

¶10. (SBU) In remarks to the press, Alua criticized Freeport's reliance on the Indonesian military (TNI) for security, and urged the company to develop a "community-based" security strategy.

¶11. (C) Other Papuan leaders, while critical of Freeport, stopped short of calling for its closure. DPRP Deputy Speaker Komaraddin Watabun stressed to poloff on March 30 that while Freeport's way of operating must change, he was aware that the company's status in Indonesia was governed by a legally-binding agreement with the GOI. Similarly, governor-elect Bas Suebu told poloff March 31 that while he felt that the Freeport situation was "a ticking time bomb," it was neither desirable nor realistic to seek its closure. He also believed that the company's policies and approach had improved over time.

¶12. (C) Freeport is not overly concerned by the uptick in scrutiny and criticism. Anti-Freeport criticism is perennial and cyclical, and the company is more preoccupied with resolving the illegal mining dispute at Mile 72 and keeping relations with the central government on track (refs D - F). Freeport Vice President Dan Bowman (protect) told poloff April 7 that company representatives had met with DPRP and MRP representatives in Bali during the week of April 3 - 7. The meeting was amicable. The DPRP representatives had said that they had "no problem" with Freeport, and the MRP backed away from their initial hard-line stance, and requested more information.

Comment

¶13. (C) The MRP cannot get much traction out of the Freeport issue. Its call for the mine to be closed was a half-hearted attempt to pander to more hard-line elements that have staged demonstrations in past weeks. The MRP basically accepts the fact that although Freeport's presence in Papua is problematic in terms of environmental impact and its

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relations with the TNI, it generates revenue and creates jobs in the province. Indeed, a large portion of the taxes that Freeport pays to the central government is returned to the province under the same Special Autonomy Law that created the MRP. The MRP's real challenge is restoring its credibility and finding a role following the political setbacks that it has been dealt so far this year.

PASCOE